ED/EC M-285

December 20, 1957

# EXECUTIVE COMMITTEE OF THE ECONOMIC DEFENSE ADVISORY COMMITTEE

# MINUTES

10:00 a.m. Wednesday, December 18, 1957 Room 814 District National

# Attendance:

MDAC

Mr. Hale, Chairman

Mr. Kramer, Executive Secretary

Mrs. Huver, Committee Secretary

CIA 25X1A9a

Mr.

Commerce

Mr. Hockersmith

Mr. George

Defense

Mr. Nichols

Col. Green

ICA

Mr. Slaght

State

Mr. Wright

Treasury

Mr. Pollak

# Agenda:

Note a: Draft Presidential Determination Letters

b: Rolling Mill Discussions

1. Plan for Work to be done in preparation for a Consultative Group Meeting.

(Ref. EDAC D-135/la, Annex A - Work Program, Paragraph 9

EDAC D-140

EDAC D-141

EDAC M-66

ED/EC D-126 series)

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## Note a. Draft Presidential Determination Letters

## Decision

The members will review the draft Determination letters to the President and attempt to clear them in their agencies for the concurring signatures.

The Treasury member will inform the Chairman as to who in his agency will sign these letters.

## Discussion

Draft letters to the President regarding Control Act Determinations were given to the members with the request that they attempt to clear them with their agencies and to determine a time when signatures could be obtained. (Requested for Friday, December 20th.)

The letters were discussed and some minor revisions agreed upon.

The Treasury member said he had a problem in that the individuals who formerly signed these letters had left the Department and no one else at their level was familiar enough with this program to sign the letters without a full briefing.

## Note b. Rolling Mill Discussions

#### Decision

The Chairman will notify the Chairman of Working Group I that that Group is expected to review promptly the comments and proposals of the technicians who have now been selected to represent the U.S. in the technical review of rolling mills, taking into consideration any recommendation and language for limits to which the U.S. could agree in changing present coverage of the definition. If any agency represented on WG-I has any objection to the WG-I position the issue would be presented to EDAC for resolution.

Any proposal to COCOM which comes out of the technical discussions on rolling mills will be reviewed and approved by EDAC before approval by the U.S. in COCOM.

#### Discussion

The Defense member wondered if a request could be made to postpone the proposed discussion of rolling mills until after the Consultative Group meeting. In the subsequent discussion of the entire rolling mill problem, it was brought out that there were differences of view among the Executive Committee members on exactly what had been decided with respect to U.S. participation in the technical discussions.

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The Defense member pointed out that the proposals presented to the U.S. are so vague that the first thing the technicians must do is to clarify just what mills are intended to be covered.

After further discussion the members agreed as shown in Decision above.

The State member felt that the U.S. could not request a postponement of these technical discussions since we were committed to them, but he felt the possibility existed that when the resulting proposal is presented to COCOM, the U.S. could request that discussion there be postponed until after the CG meeting.

1. Plan for work to be done in preparation for a Consultative Group Meeting. (Ref. EDAC D-135/la, Annex A - Work Program, Paragraph 9

EDAC D-140

EDAC D-141

EDAC M-66

ED/EC D-126 series)

#### Decision

25X6 The State member will furnish the Executive Committee with copies of the proposal on criteria, and an Executive Committee meeting will be held to discuss this paper.

An Executive Committee meeting will soon be held to discuss those aspects of Mr. George's draft of September 24, 1957 entitled "Exceptions to Security Controls - Principles and Procedures" which have not yet been considered.

The individual agencies should examine the reports from the Ad Hoc Subcommittee on List Review (ED/EC D-126 series) in detail and notify the Chairman of anything with which they do not agree. The Executive Committee will discuss any question or objection raised by an agency, in an effort to resolve the issue. These issues should be presented in time for discussion before January 15th. Anything not raised for discussion before that date will be considered as having full Executive Committee support.

#### Discussion

The Chairman said that pursuant to the decisions made at the EDAC meeting on December 9, 1957 (EDAC M-66), the Executive Committee must plan the work which must be done in preparation for a Consultative Group meeting.

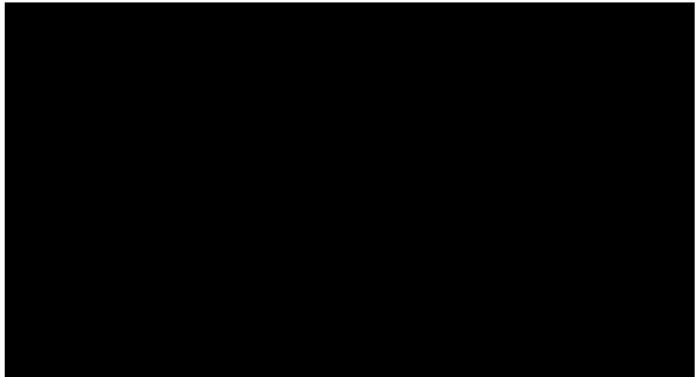
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The members were in agreement that the State proposal to inform all of the Embassies in Washington bilaterally of the intention of the U.S. to call a meeting of the CG was desirable. They further felt that once the U.S. proposes a CG we would be at liberty to hold bilaterals or trilaterals with anyone.

There was then a discussion of the work the Executive Committee must do in preparation for a CG meeting. It was felt that at the next EC meeting Mr. George's draft of September 24, 1957 entitled "Exceptions to Security Controls - Principles and Procedures" should be reviewed. This paper covers prior commitments, minimum shipments, etc. and the Chairman felt that each of those aspects which has not already been discussed should be considered and a judgment made as to whether they are recommendations the EC should make for a US position and, if so, whether they should be made part of the package, or whether they should be given to the negotiators as matters to be handled by them when the time comes.

With respect to the reports from the Ad Hoc Subcommittee on List Review, it was felt that they should not be reviewed item by item because this Committee does not have the competence for such a review, but members should ask the Ad Hoc Committee to supply for EC consideration, the justification not now documented for any challenged items or proposals and make alternative recommendations on any elements of the proposal which they consider undesirable or inappropriate. After discussion of the most expeditious way to accomplish this review, the members accepted the Chairman's proposal as shown in <u>Decision</u> above.

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The Defense member pointed out that the reports from the Ad Hoc Subcommittee are a package recommendation in the fullest sense of the word. It is tied together in a closely integrated fashion and if anything were taken off one part, it would immediately affect another part. As for negotiating tactics, he felt that negotiation should start using the present IL's plus the new items we will propose for coverage on IL I and be prepared to retreat only to the level of the Ad Hoc Subcommittee recommendations which in the view of Defense is the U.S. minimum position the U.S. can accept.

Distribution:
ED List Parts I & II
WG I (Limited)

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